

Concordia University
Faculty Council of the John Molson School of Business
Minutes of the meeting held January 13, 2005

JMSB-2006-01M

Present: J. Tomberlin, Chair
A. Ahmad (Fina.), J. Ahmad (Econ.), K. Argheyd (Mana.), M. Armanious (CASA),
S. Betton (Fina.), H. Bhabra (MBA), S. Brutus (Mana.), B. Campbell (Econ.), D. Bipin
(Comp.Sci.), I. Dostaler (Mana.), C. Draimin (Acco.), A. Fagnoli (Reg.), J. Freed (Fina.),
M. Genova (Staff), S. Ghani (CASA), S. Goyal (DS&MIS), A. Harland (Lib.), B. Ibrahim
(Assoc. Dean), M. Islam (Acco.), G. Kanaan (Assoc. Dean), J. Kellett (CGSA), R. Knitter
(Mana.), S. Leblanc (CASA), J. Lim (Mktg.), T. Lituchy (Mana.), A. Mohummed (CASA),
S. Mustafa (Acco.), F. Nebebe (DS&MIS), D. Peltier-Rivest I. Rakita (Fina.), J. Riven (Mana.),
E. Sacca (SGS), C. A. Ross (Mktg.), M. Sharma (DS&MIS), J. St-Germain (CASA), R. Vahidov
(DS&MIS), L. Wong (Staff), J. Zimmerman (CASA)

Absent with
Regret: M. Bergier (Mktg.), T. Correa (CASA), S. Danaie, C. Lajeunesse (Pres.), E. Lobo (CGSA),
M. Magnan (Assoc. Dean), P. Renaud (CASA), S. Robinson (Acco.), M. Singer (P&VP, AA)

I Call to Order
The meeting was called to order at 09:35.

II Closed Meeting

III Open Meeting

IV Approval of Agenda – JMSB-2006-01A
It was moved by M. Sharma and seconded by C. Draimin that Council approve the agenda..
The motion was carried unanimously.

V Approval of the Minutes – JMSB-2005-07M
It was moved by M. Sharma and seconded by S. Leblanc that Council approve the minutes.
The motion was carried unanimously.

With regard to the minutes of the Council meeting held October 7 which were approved at the November 4 meeting, it was pointed out that a noteworthy comment about payment procedure was omitted from K. Boulos' presentation of the JMSB Executive Centre.

It was moved by C. Draimin and seconded by J. Riven that it be noted that the minutes of the Council meeting held October 7 that were approved at the meeting of November 4 should be amended to add the following sentence in item XIX ii) JMSB Executive Centre Report, page 10, first paragraph, last sentence: K. Boulos noted that one of the advantages of teaching for the Centre is that instructors can have their companies directly invoice the companies hosting the seminars, a procedure that is financially beneficial to both the Centre and the instructors.
The motion was carried unanimously.

VI Chair's Report and Question Period
J. Tomberlin reported the outstanding success of the 25th anniversary of the JMSB International MBA Case Competition where the JMSB team won first place for the second time in three years. HEC placed second and Munster came in third. He asked Council members to join him in congratulating the team members, Nasos Makriyiannis, Ravindra Sharma, Jason Nelson, Ivan Soltero, Binh Nguyen, their coach, Tim Field, and the organizing team: Anouk Bertner, Doris Kochanek, James Kellett, Zeeshan Mukaddam and Divya Sequeira. He advised this year's event hosted the largest number of teams ever with the most international representation ever, attracted the largest number of judges from the business community - 250, had the best media coverage ever and Canadian Business will publish an article on the Case competition within the next few months. He also reported the success of JMSB undergraduate students in this year's Commerce Games in placing second in Marketing, third in Entrepreneurship, first in International Business, first in Accounting, fifth in Tax, fourth in Finance, first in Strategy, second in MIS, sixth in Human Resources,

fourth in Debate, and sixth in Stock Simulation placing third overall among the sixteen competing schools and placing first in the academic competition followed by Laval, HEC Montreal and McGill. He congratulated the students and their coaches who devoted an incredible amount of time in preparation for the games with a special congratulations and thank you to M. Haber, Director, Undergraduate Competitions.

With regard to the budget, J. Tomberlin reported that the University was in the process of revising last year's budget after having been approved by the external auditors because some of the recent staff union settlements were not accurately costed resulting in a higher retroactivity of costs. The JMSB deficit for 2004-2005 is now approaching \$4M. The forecast deficit for the JMSB 2005-2006 is approximately \$800,000. He explained that the reduction of the deficit can be attributed to increases in enrolments, particularly at the undergraduate level, reduction in faculty and staff personnel costs, the launch of slot courses for prerequisite courses, a slight improvement in the University's formula for revenue allocation among the Faculties, and significant reductions in the deficits of revenue generating programs. Strategies for this year include vigilance to ensure that classes are filled to capacity particularly at the graduate level, an increase in undergraduate FTEs due to the significant increase in new enrolments, MBA enrolments are increasing, significant efforts are being made to increase enrolment in the M.Sc. Program and there will be a minor increase in the number of on-line courses offered in the undergraduate core. With regard to increasing class sizes, he clarified that a simulation document prepared for discussion purposes was misunderstood as a proposal to increase class sizes across the board in the undergraduate core. He confirmed that there will be no concerted effort to have increases in class sizes in the undergraduate core.

In response to a question about the number of faculty members who have taken advantage of the Executive Centre's policy of allowing faculty members to have their companies bill the Center's clients directly, J. Tomberlin advised that he would check with the Director of the Program, K. Boulos. With regard to concerns expressed about faculty members sub-contracting to client companies, J. Tomberlin advised that the practice was investigated and determined to be legal. It was commented that the advantages of this practice could be applied in all private programs which would be problematic because it would reinforce the perception that the business school faculty are only interested in money and also assure that the budget allocation formula would not be changed in favor the JMSB. It was pointed out that a distinction must be made between teaching and consulting that is allowed by the CUFA agreement. It was argued that payment for teaching or consulting by Concordia faculty members should follow established procedures. It was agreed that a survey of the practices of the other three faculties will be conducted and reported to Council.

One member of Council stated that recent discussions of large classes has left the perception that the JMSB was moving away from small class sizes and suggested that the JMSB Faculty Council make a motion to reaffirm the objective of offering small classes in the undergraduate program commensurate with the rest of the university. He noted that the JMSB average class size was 58 at the undergraduate level which is above the average class size in the three other Faculties. Rather than increasing class size due to pressure to balance the budget, the budget process should be revised to allow the JMSB average class size to be the same as the other Faculties of the University. Another member of Council pointed out that large classes or on-line courses were appropriate classes for mass learning introductory classes and small classes were needed for higher level courses.

The proposed motion to address the perception issue by reaffirming that JMSB would continue to offer small class sizes was supported by a member of Council. On the other hand he did not agree that JMSB classes have the same average as other Faculties inasmuch as many courses work well with large classes and others require small classes depending on the instructor and the design of the course. An imaginative strategy to deal with increasing enrolments, the number of full-time faculty and unrealistic tuition fees was encouraged.

It was noted that the Faculty Academic and Program Committee agreed that the large classes should be restricted to courses where they are pedagogically viable. FAPC members asked if the budget should drive academics or if academic should drive the budget.

J. Tomberlin agreed that the University's revenue allocation was unfair however he stated that it would also be unfair to compare class size across the University – for example studio art classes, piano and other specialized classes in Arts and Science and Engineering are not comparable to business courses.

It was agreed that C.Draimin who proposed the above-mentioned motion would send an edited version of the following notice of motion to the Steering Committee prior to the next meeting on February 3, 2006:

Whereas the John Molson School of Business faces pressure to balance the budget;
Whereas it has been proposed that increasing our average class size will help balance the budget;
Whereas the average class size in the JMSB is significantly larger than the rest of the University;
Be it resolved that JMSB reaffirm its policy of small average class sizes consistent with resources and encourage the school's administration to pursue efforts to ensure the JMSB undergraduate class sizes are commensurate with the rest of the University.

In response to the suggestion that the motion be revised to include the sense that class size would be appropriate for the kind of class being taught, C. Draimin advised he would prepare a second motion to deal with cost inequities rather than raise the issue of appropriate class size. It was suggested that the motion focus simply on a reaffirmation of the JMSB continuing to offer small classes and not complicate the matter with other issues. It was pointed out that the JMSB deficit would increase if class sizes were commensurate with other Faculties where faculty members are paid less than JMSB faculty. It was suggested that ways to reduce costs other than increasing class size be investigated and that class size increases should focus on the needs of the students rather than the core courses.

In response to a concern about the future of the revenue generating programs that continue to run a deficit, J. Tomberlin advised that a time line would be established for the programs to eliminate the deficit or close. He noted that admission to the full-time Aviation MBA program has been suspended which in itself has costs inasmuch as the JMSB is responsible for ensuring that currently enrolled students can complete their programs. With regard to the Executive MBA program, he advised that the deficit must be taken in context with the decrease in enrolments in programs North America wide.

In response to a question about the appointment of Program Directors for the Aviation MBA and the Executive MBA programs and concern that further delay would result in more interim appointments, J. Tomberlin advised that a draft proposal for reorganization of the administration of the graduate programs has been prepared that would reduce the number of Program Directors. As a consequence, the normal search procedure will not begin until the proposal has been considered and decisions have been made.

In response to a question about the standing report on administration and human resources, item X on the agenda, J. Tomberlin agreed to bring the issue of the composition of the JMSB Faculty Council to the next JMSB Council Steering committee. There is no longer an Associate Dean, Administration and Human Resources position, responsibilities are now handled by the Executive Director, Administration and Human Resources.

In response to a question about the Director of ICAMER, J. Tomberlin advised that the Director was on leave and that he and P. L. Kelley were managing the responsibilities for the on-going courses in partnership with ICAO and Airport Council International. He confirmed that there is no intention of replacing the Director.

VII Election

- i) One full-time faculty member external to the Department of Accountancy to replace Gary Johns

on the Advisory Search Committee for the Chair, Department of Accountancy
S. Goyal, Professor, Department of Decision Science and MIS was elected by acclamation.

VIII Business Arising from Previous Meeting

There was no business arising from the November 4 meeting.

IX Report: Graduate Programs, Research and Program Evaluation

With regard to appraisals, B. Ibrahim reported that the final AMBA appraisal report that will determine the viability of the program is almost complete. The process has included reports from the external consultant and the interim director of the program. He noted that admission to the Aviation MBA program had been suspended in March 2005. He advised that external consultants have been engaged for the MBA, M.Sc. and Ph.D. program appraisals. The appraisal reports for the MSc. Program and the Ph.D. program have been submitted and the MBA report will be ready next week. The appraisal of the undergraduate program is pending. The reports will form the basis for decision-making for the future of the programs.

B. Ibrahim was asked if the appraisal reports would come to Faculty Council. It was confirmed that the University appraisal process does not formally require that the reports go to the Faculty Councils however it was noted that a recent audit of the appraisal process criticized the insufficient dissemination of the reports internally. It was agreed that the documents be brought to Council. In reply to a question, B. Ibrahim confirmed that the external consultants were provided with the proposed Strategic Plan discussed during the 2004-2005 academic year.

B. Ibrahim urged Council members to examine these reports taking into consideration the intensive work devoted by several of their colleagues to assess the viability of these programs. He reported that the JMSB Research Task Force was struck during the summer to determine ways to enhance research in the JMSB. A report has been drafted and will be made available in the near future. He also advised that a strategy has been developed by the Task Force to address the need for increased enrolment in the M.Sc. Program by having the coordinators in each department visit with senior undergraduate classes to explain the benefits of the M.Sc. Program.

X Report: Administrative Affairs and Human Resources

There was no report.

XI Standing Report on the status of the new JMSB building

Nothing to report.

XII CGSA Report

J. Kellett reported the huge success of the Christmas Party and thanked J. St-Germain, Dr. Peltier-Rivest, Dr. Bhabra and Dr. Ibrahim for their support. He congratulated and thanked the MBA and CGSA for their excellent orientation program held for a small group of newly admitted students. With regard to the 25th International MBA Case Competition, he thanked R. Dupré, the amazing organizing team, the volunteers, faculty and staff and congratulated the winning team. Lastly, he invited everyone to support the students in attending the Chinese New Year celebration on February 3.

It was moved by B. Ibrahim and seconded by A. Ahmad that Council extend a vote of thanks to J. Kellett, the organizers, the JMSB team, R. Dupré and H. Bhabra, volunteers, faculty, staff and students for the success of the 25th International MBA Case Competition.

The motion was carried unanimously.

XIII Staff Report

On behalf of the staff, L. Wong thanked the Dean and P. L. Kelley for meeting with the staff before Christmas. She commented that the staff is looking forward to another meeting in April.

- XIV Report: External Affairs and Executive Programs
There was no report.

- XV Report: Undergraduate Programs, Academic and Student Affairs – **JMSB-2006-01A-01**
The report was received. G. Kanaan highlighted the report noting the increase in the B. Admin. enrolment, and the decrease in the number of international students attributable to the stronger Canadian dollar. It was noted that this winter the JMSB undergraduate program enrolment was 16,000 in 318 sections with an average class size of 51.

- XVI Reports from School Representatives on University Committees

There were no reports from the representatives on the following committees:

- i) University Senate
- ii) Arts and Science Faculty Council
- iii) Senate Academic Planning and Priorities
- iv) Senate Academic Programs Committee
- v) Senate Research Committee
- vi) University Library Committee
- vii) Undergraduate Scholarships and Awards Sub-committee
- viii) Board of Governors - **JMSB-2006-01A-02**
The report was received. One faculty member stated that the governance issues noted in the report were a concern to everyone in the University and that the JMSB should proclaim this concern. It was stated that the faculty members on the Board overwhelmingly opposed the decision modify procedures in place. It was clarified that the most senior faculty were opposed to the exceptions to traditional procedures, the junior faculty were not as resistant. Council members were urged to consider the serious consequences of making exceptions to the rule.

J. Tomberlin cautioned against acting without being certain that all Council members were informed of the issues. One member of Council stated that Council members were aware from Dr. Kryzanowski's report that at the last two Board meetings exceptions to normal procedures have been made. She opined that a statement of concern from the JMSB about governance issues would have an impact on the external members who account for almost half the composition of Board.

A brief discussion about the wording of a motion ensued.

It was moved by C. Draimin and seconded by L. Katsanis that the Council of the JMSB is deeply concerned about recent decisions of the Board of Governors. The Council supports the principle of good governance in the University and respectfully requests that the Board of Governors ensure that its actions are in strict accordance with the Board's own established policy.

The motion was carried unanimously.

It was commented that concern about governance issues at the Board can be partnered with the gradual deterioration of the powers of Senate and the Faculty Councils. Consideration should be given to the role of the Steering Committee of Senate, the regular meetings of Senate, the authority of Senate and the voice of Senate in relation to the Board of Governors. The importance of maintaining a good relationship between Senate and the Board of Governors was stressed.

- ix) Council of the School of Graduate Studies
E. Sacca reported that the School of Graduate Studies has been auditing the Faculties admissions and will prepare a final audit report by the end of February. The process has been delayed by about two weeks due to a week-long SIS crash. She reported that at the next meeting of the Council of School of Graduate Studies a program involving the co-supervision of doctoral

theses in schools in France, a proposal for language testing and recommendations regarding supplementary language education for international students will be considered.

XVII CASA Report

J. St-Germain reported the success of the Sports Marketing conference, the CASA Cares Bake Sale and Teddy Bear adoption day held in November and the CASA Cares Winter Wonderland party. She advised that the CASA Care Fashion Show is scheduled on March 16, 2006. She reported that she and A. Mohammed attended the National Business School Conference in Winnipeg where representatives from business schools across Canada discussed critical tools for executive positions. CASA students also met with the organizers of the Government Finance Officers Association that will hold their 100th anniversary conference in Montreal in May 2006. She also advised that a team of students from McGill, Concordia, UQAM, Laval and Ottawa will meet next weekend in Vancouver with students from the west, JDC west, to work together to make the Commerce Games a pan-Canadian event.

With regard to competitions, J. St-Germain thanked C. Barry and her executive team as well as M. Haber and all the professors who coached the Commerce Games teams that placed third overall. She advised that JMSB students would be participating in the ICBC Finance and Strategy categories on the weekend. She congratulated J. Kellett and the teams on their success with the 25th International MBA Case Competition. Lastly she advised that CASA is expecting to receive their new line of JMSB wear and thanked S. Leblanc for his hard work. Faculty members who are interested in coaching and anyone interested in the clothing line were asked to contact Ms. St-Germain.

XVIII New Business

i) Executive MBA Annual Report to Council - JMSB-2006-01A-04

It was moved by M. Sharma and seconded by A. Ahmad that Council grant speaking privileges to B. Barbieri.
The motion was carried unanimously.

The report was received. B. Barbieri highlighted the report noting that his mandate over the past two years as Interim Director included maintaining academic standards, increasing enrolment and rejuvenating alumni activities. He described the marketing activities and reported the huge success of the 20th Anniversary Celebration. He noted that one of the major challenges ahead is competition with the introduction of the HEC/McGill Executive MBA to be given in English next fall. With regard to the break-even Paris EMBA, he expressed some uncertainty as to whether or not the program would continue next year despite current marketing and recruitment efforts. He encouraged Council members to direct any potential students to contact him for further information.

In reply to a question about the vast price difference between the UQAM EMBA and the Concordia EMBA, it was pointed out that the UQAM program was a public or government supported program and that Concordia's is a private program that provides a quality executive experience based on the excellence of the curriculum, the faculty, and the high caliber of students with a high level of executive experience, that results in bonding and sharing in an unmatched learning environment that offers value added customer service.

With regard to the Paris program, B. Barbieri was asked if there was a breakdown of expenses similar to the one provided for the Montreal program and if any consideration had been given to expanding the Paris model to other areas. He agreed to provide the financial data and advised that expansion of the Paris model had not yet been explored.

B. Barbieri was asked to identify the proportion of the promotion budget that was allocated to meals. He estimated that approximately \$80,000 of the \$106,000 would be allocated to meals as well as the opening and closing banquets and agreed to verify the amount for the next meeting of Council.

B. Barbieri was asked the rate of attrition in a normal year. He advised that last year's loss of four students was unusual and that it was unlikely that there will be any attrition this year.

In response to a question about the 46% increase in the study trip, B. Barbieri advised that there are more students this year at \$5,000 per head and there was a door prize of a trip for two to China - as part of the 20th anniversary celebration.

With regard to a question about partnered programs such as the Queens/Cornell program and the Ivy/Rothman program, it was pointed out that the Queens/Cornell video conferencing program slipped in the ranking and both programs have suffered reduced enrolments.

It was moved by M. Sharma and seconded by J. Riven that Council extend a vote of thanks to B. Barbieri
The motion was carried unanimously.

XIX Other Business

XX Adjournment

It was moved by M. Sharma and seconded by J. Kellett that the meeting be adjourned.
The motion was carried unanimously.

The meeting was adjourned at 12:15.

XXI Next meeting

The Council meeting scheduled on Friday, January 20, has been rescheduled to take place on Friday, February 10, 2006 at 1:30 p.m. in room GM302.

